THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (c) Interest rates on loans given by the banks are deregulated. However, interest rate on loans by Commercial Banks upto Rs. 2.00 lakhs should not exceed the Benchmark Prime Lending Rate (BPLR). Further, Indian Banks' Association has advised commercial banks to charge interest rate of not more than 9% p.a. on crop loans upto Rs. 50,000/-.

(b) It appears that Hon'ble Member seeks details about Cooperative Banks. The rate of interest charged by cooperative banks to farmers is deregulated and ranges from 8% to 16% per annum. NABARD has, however, impressed upon cooperative banks to review their structure of interest rate in view of Government's announcement to provide loans to farmers at a single digit of not more than 9% for crop loans upto Rs. 50,000/-. However, many cooperative banks have not been able to do so on account of the high cost of funds, cost associated with three tier structure and high level of NPAs. The implementation of revival package for short term cooperative credit structure is expected to improve the financial strength of the cooperative banks and thereby enable them to lower their lending rates.

Wage-awards of CPSEs

249. SHRI MOOLCHAND MEENA:
SHRI SANTOSH BAGRODIA:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) when the previous three wage-awards for the CPSEs were constituted and their recommendations implementated;

(b) whether it is a fact that some CPSEs have calculated the VRS/ VSS dues to their employees on the basis of previous wage-awards instead of latest wage-awards, causing hardship to the VRS optees; and

(c) if so, what steps are being taken to remove this hardship of VRS optees?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) Justice Mohan Committee (JMC) was constituted on 10th December, 1996 and the decision of the Government on the recommendations of JMC to revise

the pay scales in case of employees following IDA pattern of scales in Central Public Sector Enterprises (CPSEs) were made effective from 1.1.1997. Prior to this, two pay revisions were given effect from 1.1.92 and 1.1.87.

(b) and (c) The compensation under Voluntary Retirement/Voluntary Separation Scheme (VRS/VSS) is calculated on the basis of the existing pay of VRS/VSS optees. The compensation would be increased by 100% and 50% in case of employees on 1987 pay scales and 1992 pay scales respectively with a view to remove their hardships.

Automotive testing Centre at Nellore

250. SHRIMATI N.P. DURGA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the status of the proposal of setting up of National Automotive Testing Research and Infrastructure Centre at Nellore in Andhra Pradesh;

(b) when the project was conceived and what is the total cost involved in setting up of the Centre;

(c) whether any consultations, either with the concerned Indian or global players, have been held for specialized testing facilities; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRIMATI KANTI SINGH): (a) and (b) In July, 2005, Government approved implementation of the National Automotive Testing Research and Development Infrastructure Project (NATRIP) at a total cost of Rs. 1718 crore. NATRIP envisages setting up of world class automotive testing & homologation facilities and proving ground at selected locations in India. The site at Nellore has not been approved for setting up of facilities under NATRIP.

(c) and (d) NATRIP Implementation Society has appointed M/s. IDIADA of Spain as global consultants for the projects.

Closure of Cement Corporation of India Units

251. SHRI N.R. GOVINDARAJAR: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state: